

# USAID | OTI | CREA | CCSSP

## CREA | Costa Rica



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### **Cuban Civil Society Support Program (CCSSP)**

Contract Number DOT-I-00-03-00009-00

#### **Monthly Report**

**November 2011**

*Submitted December 5, 2011*

## 1. Country Situation Update

### Economic Reforms

Following months of anticipated changes to Cuba's economy based on reforms adopted under the VI Party Congress in April, Cuba's government finally announced new laws allowing the purchase and sale of property by private citizens. Effective November 10, 2011, Cubans have the right to sell and purchase homes, and to negotiate their own prices. This change has the potential to have far-reaching, real and irreversible effects on the Cuban economy. It will also generate revenue for the Regime through an 8% tax applied to the transaction. However, this tax could be prohibitively expensive for many people, and restrict them from buying or selling homes, similar to the high taxes surrounding self-employment licenses that has excluded or discouraged small entrepreneurs from formalizing their business efforts.

This new law changes the decades-old housing barter system where Cubans could exchange their homes for an existing home of equal value, and offers legal protection not provided in black-market sales. The law also allows property inheritance without previous occupancy, a practice that had been banned until now. While the law has the potential for broad change, the Cuban Government remains the only entity authorized to build homes, effectively maintaining the quality and quantity deficiencies in Cuba's available housing. "The impact is very limited," said Jaime Suchlicki, a Cuba expert at the University of Miami. "There are not many people who have money to buy houses, and there are not a lot of houses to buy." Concentrated access to financial resources may limit the benefits of the reform to those with relatives outside the island who are able to send remittances to support the purchase of a home.

Along with legalizing real estate sales, the Cuban government has also enacted a new law allowing the purchase and sale of used cars among citizens, seen as a consolidated attempt by Raul Castro to inject money into the economy as a way to stimulate private entrepreneurship in some sectors, while maintaining tight control in others. The general Cuban population can purchase and own more than one used vehicle, and they will no longer lose their car if they emigrate. The purchase of new cars is still limited to those Cubans who earn foreign currency, and import restrictions will continue to limit the number of new vehicles available.

### Telecommunications

ETECSA, Cuba's state communications enterprise, is piloting a plan to facilitate greater telecommunications throughout the country. The pilot, implemented in the cities of Havana and Holguín, will allow users to recharge personalized phone cards for land lines with the national currency (CUP), instead of only with convertible pesos (CUC). The promotion will be in effect through the end of January, and seeks to incorporate new users who were previously excluded from the service because they could not afford convertible pesos.

Along with promoting greater access to traditional telephone service, Cuba has also launched its own version of Facebook on the national Intranet, seen by some independent bloggers as means for the Regime to avoid missing the "social media revolution" by providing a likely popular option to users, but also maintaining strict control over the network, its use and users. Created by the Ministry of Education, the *Redsocial* is promoted as the country's "virtual meeting point for Cuban Universities," as a way to link the university system's 110,000 reported students. *Redsocial* is only accessible inside Cuba.



## 2. Programmatic Highlights and Major Activities

### *Programmatic Activities:*

#### *Key Programmatic Accomplishments:*

- **Sector CP** - *This innovative sector seeks to counter apathy and stimulate civic engagement by supporting media projects that communicate positive, unbiased messages through different aspects of everyday life and humor. In previous activities under this sector, the CCSSP created a variety of media products and was able to shape the social content of the items produced to promote civic analysis and a sense of duty for the targeted audience.*
- [SJO083]: Final payments have been made to the grantee, and all reports have been submitted for approval. A final evaluation is in development and administrative closeout will be completed in December.
- [SJO101]: This grant supports the production of 4 deliverables based on the results of grants SJO074 and SJO092. During November, a full draft version of the third deliverable in the series was submitted for approval. This deliverable will be distributed during December. A draft component of the fourth deliverable is under revision, and will be elaborated during December for release in early January.
- [SJO102]: This grant continues activities started under grants SJO070 and SJO079, including 3 different deliverables for distribution. These deliverables have been completed and have experienced significant audience growth through the revised distribution strategy.
- [SJO103]: As a follow-on activity to SJO076, this grant supports the creation of additional products for distribution through popular networks. The dissemination strategy was approved in November, and aims to access major networks to increase product visibility and popularity. A product re-launch has increased the local audience, despite the lack of new material to date.
- [SJO104]: This grant launched a new product targeted toward a new audience demographic, to be distributed across several platforms. During November, the grantee held strategic sessions with the development team to design product components to inform production in December. The grantee submitted a proposal for approval, and based on this decision, production will begin next month. Meetings with additional development staff are scheduled for early December to elaborate product technical components.
- [SJO105]: Based on ideas similar to SJO104, this grant will launch a new product to promote the development of local communities and group collaboration skills. The grantee has formulated technical requirements and defined a design and production team. During November, data was collected from potential users on issues of cultural and social importance to inform product content and design. As a result of this activity, the grantee has submitted a draft product design plan, which will be used upon approval to guide production in December.
- [SJO106]: This grant will support the continuation of activities established under SJO027, SJO038, SJO0065 and SJO083 to incorporate training materials into a series of workshops. With signature of the grant agreement, CREA is working with the grantee to coordinate travel logistics, workshop curriculum, and outreach activities to take place in January.

- **Sector CP (2)** - *This sector has exponentially exceeded expectations, and has demonstrated a true desire for freedom of expression and a need for increased networking capacity on the island. Therefore, the CCSSP has allocated significant resources toward achieving further success in this sector.*
  - [SJO094]: Final reports were approved for this grant, and final payments were made. The grant is in administrative closeout.
  - [SJO098]: The deliverable and final reports were submitted by the grantee, and additional information has been requested by CREA.
  - [SJO100]: Continuing activities started under SJO094 to deepen quality use of the platform and transition to a sustainable management structure, the grantee focused on training new staff and employing new promotion tactics to engage new users and encourage existing users to increase their use. The grantee has submitted additional information to supplement their October monthly report and is up-to-date with November reporting. The grantee continues to monitor platform functionality to ensure continued services.
- **Sector US** – *In this sector, CCSSP explored the reality of this population group and discovered significant potential for civic initiatives. With Latin American NGOs whose experience and characteristics are similar to the target population, civic activities are conducted to influence independent action.*
  - [SJO075]: Final reports have been submitted, and final payments for administrative costs were requested. The grant is in administrative closeout and an evaluation is in development.
- **Other Activities**
  - [SJO082]: The field work was successfully completed and the team returned to their country safely. A final report is expected the first week of December. The main results and accomplishments will be discussed in a meeting in a third country next month. OTI/CREA staff will work on the design of a new grant based on the success of the activities under this grant.
  - [SJO085]: Final payments have been made to the grantee, and all reports have been submitted for approval. A final evaluation is in development and administrative closeout will be completed in December.
  - [SJO090]: This grant is implemented in parallel to SJO082. The two consultants that were part of this grant actively contributed to the fieldwork carried out under SJO082. The activities planned for this grant were successfully finished. Administrative closeout procedures are underway.
  - [SJO096]: The beneficiaries received cash disbursement funds from the grantee in order to implement grant activities. The beneficiary group is closely following its project implementation plan.
  - [SJO097]: The primary activity was successfully completed during November. The grantee is preparing activity and financial reports to submit in December. Initial feedback from participants, trainers and coordinators was very positive.
  - [SJO099]: A successful meeting was held in a third country between OTI/CREA, grantee and beneficiaries to plan the activities for next steps. A cash disbursement was issued, sent and received by beneficiaries in the island. The money will be used to provide support to a small group of stakeholders who have collaborated with the beneficiaries in previous activities.

**Program Operations**

- Grants cleared to date: **104** (17 in process, 10 completed, 65 closed, 7 cancelled, 5 rejected after clearance)

Status Count				
Pending	Cleared	Completed	Closed	Cancelled / Rejected
1	17	10	65	7 / 10* <i>*5 had been cleared</i>



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CLEARED		
1	SJO075	\$69,655.00
2	SJO082	\$185,409.00
3	SJO083	\$35,491.00
4	SJO084	\$91,254.00
5	SJO090	\$39,710.00
6	SJO095	\$36,760.00
7	SJO096	\$50,425.00
8	SJO097	\$49,482.00
9	SJO098	\$70,000.00
10	SJO099	\$61,952.00
11	SJO100	\$175,400.00
12	SJO101	\$157,290.00
13	SJO102	\$81,301.00
14	SJO103	\$13,164.00
15	SJO104	\$66,158.00
16	SJO105	\$94,516.00
17	SJO106	\$26,694.00
Subtotal:		\$1,304,661.00

COMPLETED		
1	SJO061	\$26,671.00
2	SJO068	\$46,723.00
3	SJO076	\$71,104.00
4	SJO078	\$40,251.00
5	SJO079	\$63,136.00
6	SJO085	\$42,903.00
7	SJO087	\$90,000.00
8	SJO092	\$80,549.00
9	SJO093	\$90,000.00
10	SJO094	\$144,922.00
Subtotal:		\$696,259.00

CLOSED		
1	SJO001	\$95,420.00
2	SJO003	\$17,157.00
3	SJO006	\$81,421.00
4	SJO007	\$123,098.00
5	SJO008	\$34,332.00
6	SJO009	\$24,256.00
7	SJO010	\$30,359.00
8	SJO011	\$19,601.00

9	SJO012	\$14,204.00
10	SJO014	\$47,453.00
11	SJO015	\$7,328.00
12	SJO016	\$72,709.00
13	SJO017	\$2,345.00
14	SJO018	\$12,759.00
15	SJO019	\$89,059.00
16	SJO020	\$11,430.00
17	SJO022	\$72,098.00
18	SJO024	\$12,784.00
19	SJO025	\$86,994.00
20	SJO026	\$4,655.00
21	SJO027	\$4,743.00
22	SJO028	\$63,655.00
23	SJO029	\$57,625.00
24	SJO030	\$17,830.00
25	SJO031	\$5,876.00
26	SJO032	\$78,769.00
27	SJO033	\$74,390.00
28	SJO034	\$65,522.00
29	SJO035	\$19,429.00
30	SJO036	\$14,525.00
31	SJO037	\$36,210.00
32	SJO038	\$99,163.00
33	SJO039	\$38,510.00
34	SJO040	\$141,427.00
35	SJO041	\$4,947.00
36	SJO042	\$21,551.00
37	SJO044	\$86,900.00
38	SJO046	\$21,940.00
39	SJO047	\$29,152.00
40	SJO048	\$4,542.00
41	SJO049	\$89,900.00
42	SJO050	\$129,050.00
43	SJO052	\$53,161.00
44	SJO053	\$12,248.00
45	SJO054	\$30,309.00
46	SJO055	\$55,503.00
47	SJO056	\$69,091.00
48	SJO057	\$4,538.00
49	SJO058	\$125,571.00

50	SJO062	\$54,802.00
51	SJO063	\$8,819.00
52	SJO064	\$4,284.00
53	SJO065	\$25,886.00
54	SJO066	\$17,316.00
55	SJO067	\$86,732.00
56	SJO069	\$19,149.00
57	SJO070	\$28,838.00
58	SJO071	\$55,674.00
59	SJO072	\$213,130.00
60	SJO073	\$24,155.00
61	SJO074	\$36,328.00
62	SJO077	\$176,206.00
63	SJO080	\$6,918.00
64	SJO081	\$12,245.00
65	SJO086	\$11,225.00
Subtotal:		\$3,097,246.00

PENDING		
1	SJO107	\$127,492.00
Subtotal:		\$127,492.00

CANCELLED		
1	SJO013	\$9,825.00
2	SJO043	\$5,687.00
3	SJO045	\$16,707.00
4	SJO059	\$3,325.00
5	SJO088	\$14,808.00
6	SJO089	\$17,654.00
7	SJO091	\$3,929.00
Subtotal:		\$71,935.00

REJECTED		
1	iSJO001	
2	iSJO010	
3	iSJO011	
4	SJO002	Rejected After Clearance
5	SJO004	
6	SJO005	
7	SJO021	
8	SJO023	Never Approved
9	SJO051	
10	SJO060	

### **Administration and Operations**

- **Activity Database (ADa):** CREA staff continues to update the Activity Database with information from the field. In addition, the DC-based team is working closely with the Implementation team in the field to ensure weekly tracking of grant expenditures and maintain adequate grant / operations funds control. The most recent ADa update from OTI was completed successfully throughout master and local copies of the database.
- **Procurement:** A new BIS license application was approved by the Department of Commerce to support material assistance under CCSSP through the life of the program.
- **Finance:** All financial transactions continue to be managed from Washington, D.C. with support from a finance assistant in the field who will work closely with grantees to ensure timely grant implementation.

### **3. Budget Information**

CLIN	Description	Total	Obligated	Disbursed October 2011	Cumulative Amount
001	Operations	\$ 4,887,599		\$ 83,253	\$ 4,464,069
002	Fixed Fee Operations	\$ 244,380		\$ 4,163	\$ 223,203
003	Grants	\$ 10,200,000		\$ 300,204	\$ 4,400,112
004	Fixed Fee on Grants	\$ 204,000		\$ 6,012	\$ 88,002
	<b>TOTAL</b>	<b>\$ 15,535,979</b>	<b>\$ 9,170,671</b>	<b>\$ 394,032</b>	<b>\$ 9,175,386</b>

### **4. Problems Encountered: Issues and Proposed Actions**

- There were no significant issues in this period.

### **5. Upcoming Activities**

CREA has the following activities planned for December 2011:

- OTI/CREA staff will hold a meeting with SJO082/SJO090 grantee representatives to plan next grant, and develop an new M&E mechanism.
- Beneficiaries under SJO096 will hold an activity in December and will report on the remainder of cash disbursement funds.
- A training activity will take place under SJO099 with beneficiaries participating in project workshops. The group will be provided with material assistance to support their activities in the island. A new BIS license has been issued for these purposes.
- A series of deliverables under grants SJO101, SJO103, SJO104 and SJO105 will launch in the first weeks of December, and CREA will be monitoring the success of these products throughout the month.
- CREA will confirm all logistics and activity details with the SJO106 grantee by December 15<sup>th</sup> to ensure activities can be executed in January 2012.
- OTI/CREA will develop a new initiative for impact assessment research through a number of capture methods.